

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY

In re HOVBILT, INC.

Case No. 13-30341 mBK  
Reporting Period: OCTOBER 2014

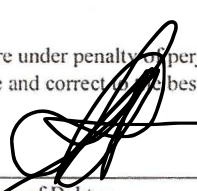
**MONTHLY OPERATING REPORT**

File with Court and submit copy to United States Trustee within 20 days after end of month.

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached	Affidavit/Supplement Attached
Schedule of Cash Receipts and Disbursements	MOR-1			
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1a			
Schedule of Professional Fees Paid	MOR-1b			
Copies of bank statements				
Cash disbursements journals				
Statement of Operations	MOR-2			
Balance Sheet	MOR-3			
Status of Postpetition Taxes	MOR-4			
Copies of IRS Form 6123 or payment receipt				
Copies of tax returns filed during reporting period				
Summary of Unpaid Postpetition Debts	MOR-4			
Listing of aged accounts payable	MOR-4			
Accounts Receivable Reconciliation and Aging	MOR-5			
Debtor Questionnaire	MOR-5			

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

  
Signature of Debtor

5/5/2015

Date

Signature of Joint Debtor

Date

Signature of Authorized Individual\*

Date

Printed Name of Authorized Individual

Title of Authorized Individual

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

**Plaintiff  
Exhibit**

113

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 Debtor

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 Reporting Period: OCTOBER 2014

### SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. The amounts reported in the "PROJECTED" columns should be taken from the SMALL BUSINESS INITIAL REPORT (FORM IR-1). Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CONT)]

	BANK ACCOUNTS				CURRENT MONTH		CUMULATIVE FILING TO DATE	
	OPER.	PAYROLL	TAX	OTHER	ACTUAL	PROJECTED	ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	20,305.62				20,305.12			
<b>RECEIPTS</b>								
CASH SALES	0	0	0	0	0	0	0	0
ACCOUNTS RECEIVABLE								
LOANS AND ADVANCES					0	0	54,000	98,250
SALE OF ASSETS							4,500,000	
OTHER (ATTACH LIST)								
TRANSFERS (FROM DIP ACCTS)								
<b>TOTAL RECEIPTS</b>	0	0	0	0	0	0	4,554,000	98,250
<b>DISBURSEMENTS</b>								
NET PAYROLL								
PAYROLL TAXES								
SALES, USE, & OTHER TAXES	415.50				415.50	0	2,126.69	5,588
INVENTORY PURCHASES								
SECURED/ RENTAL/ LEASES								
INSURANCE	0				0	0	1,644.50	5,750
ADMINISTRATIVE								
SELLING								
OTHER (ATTACH LIST) <i>SALE Payments</i>							4,421,162.21	0
OWNER DRAW *								
TRANSFERS (TO DIP ACCTS)								
PROFESSIONAL FEES	380				380	0	97,832	55,500
U.S. TRUSTEE QUARTERLY FEES	0				0	0	12,350	1,300
COURT COSTS								
<b>TOTAL DISBURSEMENTS</b>	795.50				795.50	0	4,535,115.40	68,050
<b>NET CASH FLOW</b>	(795.50)				(795.50)	0	+ 19,510.12	30,200
(RECEIPTS LESS DISBURSEMENTS)								
CASH - END OF MONTH	19,510.12				19,510.12		0	

\* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

### THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)	
TOTAL DISBURSEMENTS	\$ 795.50
LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS	\$ —
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	\$ —
<b>TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES</b>	<b>\$ 795.50</b>







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Document Page 4 of 11



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## STATEMENT OF ACCOUNT

096414 06DD1L05 1 000000

HOVBILT INC

DIP CASE 13-30341- DIST NJ

1 DAG HAMMARSKJOLD BLVD STE 1

FREEHOLD NJ 07728

Page: 1 of 2

Statement Period: Oct 01 2014-Oct 31 2014

Cust Ref #: 4287656511-039-T-###

Primary Account #: [REDACTED]

## Chapter 11 Checking

HOVBILT INC

DIP CASE 13-30341- DIST NJ

Account # [REDACTED]

## ACCOUNT SUMMARY

Beginning Balance	20,305.62	Average Collected Balance	19,878.53
Checks Paid	795.50	Annual Percentage Yield Earned	0.00%
Ending Balance	19,510.12	Days in Period	31

## DAILY ACCOUNT ACTIVITY

## Checks Paid No. Checks: 3

For online bill pay customers, checks numbered "99XXXX" likely represent payments to a Biller that were delivered as a paper check. Funds were withdrawn from your account when the check was cashed. You can view these cleared checks in the Account History section of Online Banking.

\*Indicates break in serial sequence or check processed electronically and listed under Electronic Payments

DATE	SERIAL NO.	AMOUNT	DATE	SERIAL NO.	AMOUNT
10/7	125	380.00	10/23	127	287.05
10/23	126	128.45			

Subtotal: 795.50

## DAILY BALANCE SUMMARY

DATE	BALANCE	DATE	BALANCE
9/30	20,305.62	10/23	19,510.12
10/7	19,925.62		

#125 - TAAste Forester  
 #126 - Jackson Township  
 #127 - Jackson Township

V1.8.4/8-1/4/7456

096414 06DD1L05 024554

Call 1-800-937-2000 for 24-hour Bank-by-Phone services or connect to [www.tdbank.com](http://www.tdbank.com)

Bank Deposits FDIC Insured | TD Bank N.A. | Equal Housing Lender



Case No. 13-30341 MRBK  
Reporting Period: OCTOBER 2015

**This schedule is to include all retained professional payments from case inception to current month.**

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Real estate closing comm. for May 6, 1961 (1000000)  
 Robert Beldan - Houibitt real estate appraiser for Jackson Property



In re HOVBILT, INC.  
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Case No. 13-30341 MBK  
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**STATEMENT OF OPERATIONS**  
(Income Statement)

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

REVENUES	Month	Cumulative Filing to Date
Gross Revenues	\$ 0	\$ 0
Less: Returns and Allowances		
Net Revenue	\$	\$
<b>COST OF GOODS SOLD</b>		
Beginning Inventory		
Add: Purchases		
Add: Cost of Labor		
Add: Other Costs (attach schedule)		
Less: Ending Inventory		
Cost of Goods Sold		
Gross Profit	0	0
<b>OPERATING EXPENSES</b>		
Advertising		
Auto and Truck Expense		
Bad Debts		
Contributions		
Employee Benefits Programs		
Insider Compensation*		
Insurance	0	0
Management Fees/Bonuses <i>to Speedus NY</i>	20,000	270,000
Office Expense		
Pension & Profit-Sharing Plans		
Repairs and Maintenance		
Rent and Lease Expense <i>to Paris Hovnanian</i>	5,000	67,500
Salaries/Commissions/Fees		
Supplies		
Taxes - Payroll		
Taxes - Real Estate	415.50	415.50
Taxes - Other		
Travel and Entertainment		
Utilities <i>Tony Falcone</i>		2,500
Other (attach schedule) <i>Ken Taffer Timber Plan</i>	380	4,580
Total Operating Expenses Before Depreciation		
Depreciation/Depletion/Amortization		
Net Profit (Loss) Before Other Income & Expenses	(25,795.50)	(344,995.50)
<b>OTHER INCOME AND EXPENSES</b>		
Other Income (attach schedule)		4,500,000
Interest Expense		
Other Expense (attach schedule)		4,411,162.21
Net Profit (Loss) Before Reorganization Items		(233,107.70)
<b>REORGANIZATION ITEMS</b>		
Professional Fees		178,263.64
U. S. Trustee Quarterly Fees	0	12,350
Interest Earned on Accumulated Cash from Chapter 11 (see continuation sheet)		
Gain (Loss) from Sale of Equipment <i>NS CBT</i>		1,711.19
Other Reorganization Expenses (attach schedule) <i>Century Capital</i>		10,000
Total Reorganization Expenses		
Income Taxes <i>Totals</i>	0	2,02,324.83
Net Profit (Loss)	\$	\$ (436,232.54)

\*"Insider" is defined in 11 U.S.C. Section 101(31).



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Case No. 13-30341 MBK  
Reporting Period: OCTOBER 2014

STATEMENT OF OPERATIONS - continuation sheet

BREAKDOWN OF "OTHER" CATEGORY	Month	Cumulative Filing to Date
<b>Other Costs</b>		
<b>Other Operational Expenses</b>		
<b>Other Income</b>		
<b>Other Expenses</b>		
<b>Other Reorganization Expenses</b>		

**Reorganization Items - Interest Earned on Accumulated Cash from Chapter 11:**  
Interest earned on cash accumulated during the chapter 11 case, which would not have been earned but for the bankruptcy proceeding, should be reported as a reorganization item.



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### BALANCE SHEET

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from postpetition obligations.

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
<b>CURRENT ASSETS</b>		
Unrestricted Cash and Equivalents	19 510.12	0
Restricted Cash and Cash Equivalents (see continuation sheet)	116 407	16 407
Accounts Receivable (Net)		
Notes Receivable		
Inventories		
Prepaid Expenses	21 750	21 750
Professional Retainers		25 000
Other Current Assets (attach schedule)		
<b>TOTAL CURRENT ASSETS</b>	\$ 57 667.12	\$ 63 157
<b>PROPERTY AND EQUIPMENT</b>		
Real Property and Improvements	3 828 135	8 328 135
Machinery and Equipment		
Furniture, Fixtures and Office Equipment		
Leasehold Improvements		
Vehicles		
Less Accumulated Depreciation		
<b>TOTAL PROPERTY &amp; EQUIPMENT</b>	\$ 3 828 135	\$ 8 328 135
<b>OTHER ASSETS</b>		
Loans to Insiders*	12 082 767	12 082 767
Other Assets (attach schedule)		
<b>TOTAL OTHER ASSETS</b>	\$ 12 082 767	\$ 12 082 767
<b>TOTAL ASSETS</b>	\$ 15 968 569.12	\$ 20 474 059

LIABILITIES AND OWNER EQUITY	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
<b>LIABILITIES NOT SUBJECT TO COMPROMISE (Postpetition)</b>		
Accounts Payable		
Taxes Payable (refer to FORM MOR-4)		
Wages Payable		
Notes Payable		
Rent / Leases - Building/Equipment	367 500	300 000
Secured Debt / Adequate Protection Payments		
Professional Fees	85 011.64	0
Amounts Due to Insiders*	177 500	453 000
Other Postpetition Liabilities (attach schedule)		
<b>TOTAL POSTPETITION LIABILITIES</b>	\$ 1 230 011.64	\$ 753 000
<b>LIABILITIES SUBJECT TO COMPROMISE (Pre-Petition)</b>		
Secured Debt	500 000	4 500 000
Priority Debt	1 700 000	1 700 000
Unsecured Debt	286 410	286 410
<b>TOTAL PRE-PETITION LIABILITIES</b>	\$ 2 486 410	\$ 6 486 410
<b>TOTAL LIABILITIES</b>	\$ 3 716 421.64	\$ 7 239 410
<b>OWNER EQUITY</b>		
Capital Stock	1 024	1 024
Additional Paid-In Capital	1 318 296	1 318 296
Partners' Capital Account		
Owner's Equity Account		
Retained Earnings - Pre-Petition		12 771 882
Retained Earnings - Postpetition	11 789 388.48	(856 553)
Adjustments to Owner Equity (attach schedule)	(856 553)	(856 553)
Postpetition Contributions (Distributions) (Draws) (attach schedule)		
<b>NET OWNER EQUITY</b>	\$ 12 252 147.48	\$
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	\$ 15 968 569.12	\$

\*Insider" is defined in 11 U.S.C. Section 101(31).

\* income 1/1/13 to filing 9/17/2013 was (856,553)





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### STATUS OF POSTPETITION TAXES

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero.  
Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes.  
Attach photocopies of any tax returns filed during the reporting period.

	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Date Paid	Check No. or EFT	Ending Tax Liability
<b>Federal</b>						
Withholding						
FICA-Employee						
FICA-Employer						
Unemployment						
Income						
Other:						
Total Federal Taxes						
<b>State and Local</b>						
Withholding						
Sales						
Excise						
Unemployment						
Real Property						
Personal Property						
Other:	0	0	0	0	0	0
Total State and Local						
Total Taxes						

### SUMMARY OF UNPAID POSTPETITION DEBTS

Attach aged listing of accounts payable.

	Number of Days Past Due					Total
	Current	0-30	31-60	61-90	Over 90	
Accounts Payable						
Wages Payable						
Taxes Payable						
Rent/Leases-Building	5,000	5,000	5,000	5,000	47,500	67,500
Rent/Leases-Equipment						
Secured Debt/Adequate Protection Payments						
Professional Fees	0	0	26,416	-	59,595.64	85,011.64
Amounts Due to Insiders*	20,000	20,000	20,000	20,000	190,000	270,000
Other:						
Other:					50,000	50,000
Total Postpetition Debts	25,000	25,000	51,416	25,000	347,095.64	472,511.64

Explain how and when the Debtor intends to pay any past-due postpetition debts.

\*\*"Insider" is defined in 11 U.S.C. Section 101(31).



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Debtor

### ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation		Amount	
Total Accounts Receivable at the beginning of the reporting period			
+ Amounts billed during the period			
- Amounts collected during the period			
Total Accounts Receivable at the end of the reporting period		0	0
Accounts Receivable Aging		Amount	
0 - 30 days old			
31 - 60 days old			
61 - 90 days old			
91+ days old			
Total Accounts Receivable			
Amount considered uncollectible (Bad Debt)			
Accounts Receivable (Net)		0	0

### DEBTOR QUESTIONNAIRE

Must be completed each month	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.		X
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	X	
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	X	
5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.		X

CURRENT BALANCE OF HOVBILT  
DIP ACCOUNT #6511  
IS \$19,510.12